Railroad At a Glance

ORGANIZATION

History, Ownership & Operation
- Federal government built the railroad 1914-1923 in order to open the territory to development.
- State purchased railroad in 1985 for $22.3 million.
- Independent corporation managed by a 7-member board of directors appointed by the governor.
- State law mandates self-sustaining operations and responsibility for financial and legal obligations.

Mission
- Provide safe, quality transportation and real estate services.
- Operate profitably to be self-sustaining.
- Foster economic development (infrastructure and services).

Assets
- 656 total miles of track
- 681 freight revenue railcars
- 45 passenger railcars
- 51 locomotives + 2 power cars
- Yards: Seward, Anchorage, Whittier, Fairbanks

Employees
- Not part of state personnel system.
- 2019 Benefits & Wages: $77.5 million
  - Year-round: 545
  - Average Age: 43.7
  - Male: 551 (82.5%)
  - Veterans: 119 (18%)
  - Union represented: 485 (73%)
  - AFGE/Alaska Railroad Workers 246
  - Alaska Train Dispatchers Association 9
  - TCU/Brotherhood Railway Carmen 38
  - International Brotherhood of Teamsters 55
  - United Transportation Union 137
  - Seasonal: 123
  - Ave Years of Svc: 11
  - Female: 116 (17.5%)
  - Resident Hire: 90+%  

FINANCIAL

Financial totals for 2019 are audited as if April 1, 2020
- 2019 Assets: $1.1 billion
- 2019 Revenue: $203.9 million (including $52.1 million in grant revenue)
- 2019 Net Income: $21.6 million
- 2020 Original Budgeted Net Income: $22 million
  * Pandemic has significantly reduced projected net income

Railroading is capital-intensive, requiring substantial annual investment to adequately maintain equipment and infrastructure. Revenue in excess of expense (net income) is reinvested in capital improvement projects and infrastructure maintenance programs.

BUSINESS LINES

Freight Business
- 2019 Freight: 3.49 million tons
  ARRC hauls natural resources including coal, gravel and petroleum products; and commodities including industry chemicals and supplies, dry goods, hazardous materials, pipe, lumber, heavy equipment and specialty items. ARRC offers seamless freight service between shipping points in the Lower 48 to many Alaska destinations. Crucial to this link is Alaska Rail Marine, a rail-barge operating between Seattle and Whittier. Barges also move rail shipments to/from Alaska via Prince Rupert, interchanging with Canadian National Railway.

Passenger Business
- 2019 Passengers: 522,101
  The Alaska Railroad offers year-round regularly-scheduled rail transportation. From mid-May to mid-September, trains run daily between Anchorage and Seward, Anchorage and Whittier, Anchorage and Denali/Fairbanks. During winter months (mid-September to mid-May), trains operate between Anchorage and Fairbanks primarily on weekends.
Real Estate Business
Real estate holdings: approximately 36,000 acres:
- 38% (~14,000 acres) for track bed and right-of-way
- 12% (~4,500 acres) for railroad operations/rail yards
- 50% (~18,000 acres) for long-term lease or permit use

RAILROAD CONTRIBUTIONS

Transportation Link
Alaska’s transportation infrastructure is sparse with 640 square miles of land for every mile of paved road. Only 20% of Alaska’s roads are paved versus 91% average for the other 49 states. Many places in Alaska have no road access and are accessible only by air, ferry, or rail.

Based on 522,101 rail passengers in 2019 and an industry average of 36 passengers per motorcoach, the Alaska Railroad keeps about 14,500 motorcoaches off single-lane highways annually, decreasing safety and road maintenance issues. Rail offers low-impact public transport to public land treasures like Denali National Park and Chugach National Forest, allowing people of all physical abilities safe access to wilderness.

- **Denali National Park, 2019:** 104,372 (17%, or about one in six) of the park’s estimated 601,152 visitors arrived by train.
- **Chugach Forest, 2019:** 47,613 people rode the Glacier Discovery train into forest areas; and 14,261 experienced the forest’s Whistle Stops south of Portage.

ARRC subsidizes essential public transportation services to roadless areas where thousands of people live and recreate. This includes the year-round Hurricane Turn flagstop service and the Anchorage-Fairbanks winter (October through April) Aurora train service.

Community Involvement
- The railroad operates through 13 municipalities and boroughs. ARRC is a member of the state and local chambers of commerce along the railbelt, and a supporter/sponsor of dozens of civic organizations that promote economic growth and commerce, ranging from tourism to mining.
- ARRC enhances the quality of life for Alaskans around the state with annual in-kind donations of rail transportation services valued at just over $1 million. Each year, ARRC supports about 400 charitable and civic non-profits with rail tickets, posters/prints, used ties, chartered use of the historic Denali Car, and other in-kind donations.
- ARRC places a priority on programs benefiting youth and enhancing education:
  - ARRC offers substantial discounts for school groups traveling by train during the school year.
  - ARRC provides in-kind donations, coordinates employee volunteers and supports educational activities as a business partner with schools in Anchorage and Salcha.
  - Since 1981, ARRC has partnered with school districts to offer a vocational program to train high school students to serve as hosts onboard summer passenger trains.

- The Alaska Railroad also supports the military community:
  - In-kind rail travel donations to the Armed Services YMCA “Y on Rail” program.
  - In-kind donations to support military morale activities.
  - 20% discount for active duty military members, retirees and their dependents.

Environmental Stewardship
- **Green Star:** ARRC is a long-time member of Green Star, a pro-business, pro-environment program recognizing organizations that meet specific standards for waste reduction, pollution prevention, recycling and energy conservation. In 2011, Green Star presented ARRC with its inaugural Super Nova award for setting high environmental standards.
- **Recycling:** The Alaskans for Litter Prevention and Recycling (ALPAR) organization has twice honored ARRC with ALPAR awards (2006 and 2011) for supporting backhaul of recyclable materials. ARRC has repeatedly donated gondolas to haul scrap metal out of rural communities along the Yukon River, and transported truck trailers that backhaul materials for recycle in the Lower 48.
- **Freight Impacts (2019):** Rail transport of freight mitigates highway congestion and safety issues, reduces roadway wear and lowers emissions. On average, a single freight train can carry the load of 280+ trucks. In 2019, ARRC carried the equivalent freight of more than 253,000 trucks:
  - ARRC transported 28,740 hopper and tanker railcars (gravel, coal and petroleum), from mines or facilities to various distribution points. This equates to about 207,200 trucks traveling 15.8 million highway miles.
  - ARRC carried 22,927 cargo-filled trailers and containers on trains moving from Anchorage, Seward and Whittier ports to distribution points all along the railroad. This equals 45,854 truck movements.
- **Fuel Efficiency:** According to the American Association of Railroads, a freight train moves a ton of freight an average of 484 miles on a single gallon of fuel. Thanks to locomotive and technology improvements, railroad fuel efficiency is up 106% since 1980. According to a study commissioned by the Federal Railroad Administration (FRA), railroads on average are four times more fuel-efficient than trucks.